

2019/2020 PROPOSED BUDGET

INFORMATION TECHNOLOGY

OCTOBER 2, 2018

City of Duvall

What We'll Cover

- Goals
- IT Budget Anatomy
- Where We Are
- Service Catalog
- Accomplishments Highlights
- 2019/2020 Workplan
- Proposed Budget
- Challenges
- Questions and/or Discussions

Budget Goals

- A policy of sustainment
- Align with Council goals and objectives
- Meet department needs and requirements
- Reduce cost where possible
- Maintain current level of service

IT Budget Anatomy

- Core Services
- Shared Components
 - Capital Equipment (Software/Hardware)
 - Hardware Software/Maintenance
- Department Specific
 - Capital Equipment (Software/Hardware)
 - Hardware Software/Maintenance
 - IT Components

IT Budget Anatomy: Budget Definition



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IT Budget Definition

The Information Technology budget has undergone significant changes to meet several critical requirements (ease of understanding, allocate true cost of capital IT infrastructure for future replacement, capture true line item cost of IT services as it affects each department/line item, provide measurable data that the budget will be based on).

The measurable components of the Information Technology budget are the following:

1. Annual resource hours
2. Personnel
3. Core Services
4. Shared capital equipment (software and hardware)
5. Department specific capital equipment (software and hardware)
6. Shared hardware/software maintenance
7. Department specific hardware/software maintenance
8. Department specific IT components (software and hardware)

1 BUDGET COMPONENT DEFINITION AND BREAKDOWN

Shared Cost Factor

The projected Shared Cost Factor is based off of data from the Servicedesk system on a rolling five- year average dealing specifically with technology resource usage as a percentage of the overall consumption of actual resource hours.

Personnel

The total number of personnel assigned to each department is gathered from Springbrook Payroll data. Furthermore, the new IT budget mimics the fund allocation as it is depicted in Springbrook Payroll. For example, if an FTE is 50% funded from one line item and 50% funded from another line item, the cost allocation would be reflected accordingly.

2 CORE SERVICES

The Base Cost of IT Services component is designed to cover the salaries, benefits, and training of all IT personnel. The following formula illustrates how:

$$\text{Shared Cost} = \text{Total Core Services} * (\text{Shared Cost Factor} / 100)$$

Each department is charged based on the formula above.

3 SHARED CAPITAL EQUIPMENT (SOFTWARE/HARDWARE)

This IT budget component's responsibility is to serve as a future reserve for capital equipment (hardware/software components having a lifecycle of 5+ years and/or a replacement cost \$5,000+) that are shared throughout the City of Snoqualmie (core switch, routers, servers, Windows Servers, etc). The funding is distributed to all departments in a proportional manner.

$$\text{Shared Cost} = (\text{Total Capital SW/HW Shared Cost} / 100) * \text{Shared Cost Factor}$$

4 DEPARTMENT-SPECIFIC CAPITAL EQUIPMENT (SOFTWARE/HARDWARE)

This IT budget component's responsibility is to serve as a future reserve for capital equipment (hardware/software components having a lifecycle of 5+ years and/or a replacement cost \$5,000+) that are specific to a department. An example would be Spillman for the Police Department or Tidemark for the Building department. Each department or line item is charged based the actual cost allocated for the capital equipment.

$$\text{Annual Chargeback} = [\text{Procurement Cost} * (1 + \text{Inflation}) ^ \text{Lifecycle Years}] / \text{Lifecycle Years}$$

5 SHARED HARDWARE/SOFTWARE MAINTENANCE

The Shared Hardware/Software Maintenance component allocates funding for services and maintenance for those hardware and software components that are shared by all departments. The funding is distributed to all departments in a proportional manner.

$$\text{Shared Cost} = (\text{Total Maintenance SW/HW Shared Cost} / 100) * \text{Shared Cost Factor}$$

6 DEPARTMENT SPECIFIC HARDWARE/SOFTWARE MAINTENANCE

The Department Specific Hardware/Software Maintenance component allocates funding for services and maintenance for those hardware and software components that are specific to a department. Each department or line item is charged based the actual cost allocated for the maintenance contract.

7 DEPARTMENT SPECIFIC IT COMPONENTS (HW/SW)

This component serves as a funding source for replacement of non-capital IT components (workstations, monitors, printers, laptops, etc.). Each of these components generally will cost less than \$5000 and has a lifecycle of less than 5 years.

$$\text{Annual Chargeback} = [\text{Procurement Cost} * (1 + \text{Inflation}) ^ \text{Lifecycle Years}] / \text{Lifecycle Years}$$

Where We Are

Year 1 –
Year 2

- *Reactive*
- *Fire Fighter mode*
- ***Ad hoc processes, documentation is minimal, alignment is minimal***

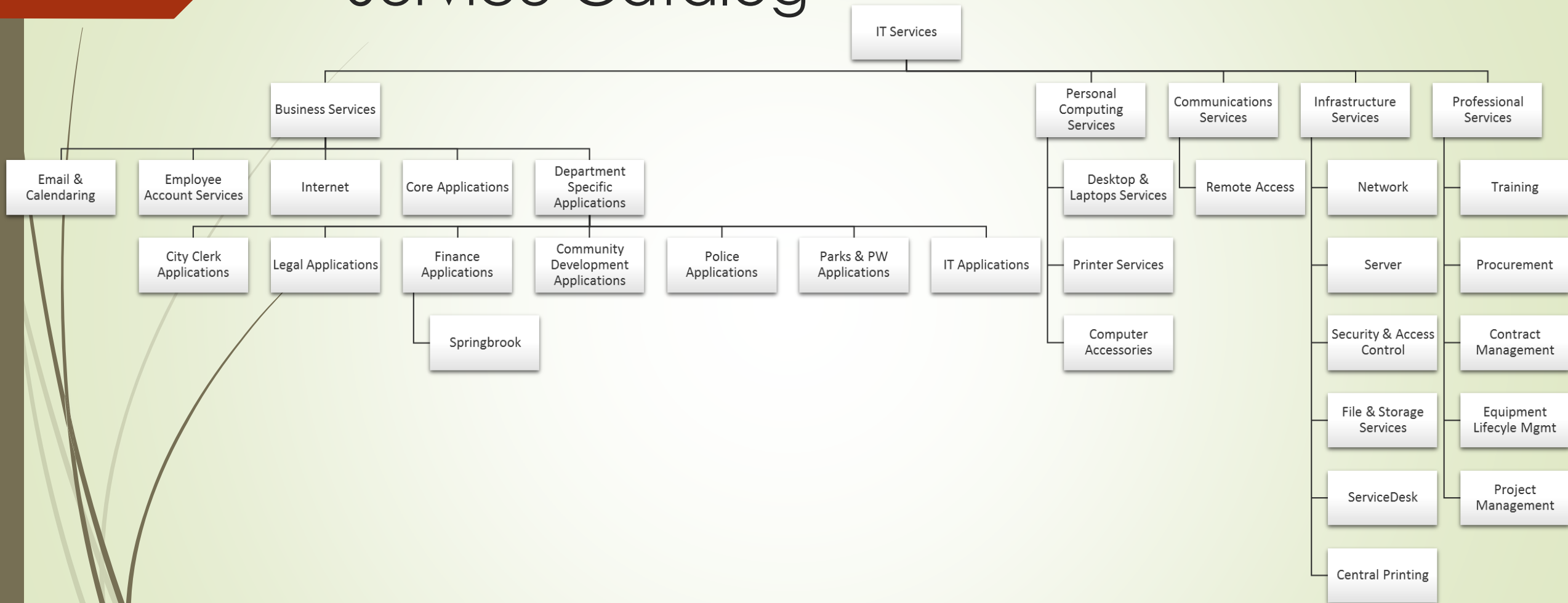
Year 3

- *Proactive*
- **Trusted Operator**
- *Core processes defined and repeatable, governance in place*

Year 4 -5

- Strategic
- Partner
- Processes are defined, documented, and updated; non static strategy

Service Catalog



Accomplishment Highlights

- Access Switches Replacement (in Progress)
- Police Department Phone System Emergency Upgrade
- Citywide Phone System Backend Infrastructure Upgrade (in Progress)

2019/2020 Workplan to Strategic Initiatives

Mapping

IT Strategic Elements/Initiatives	
1	• Fiber Optic Infrastructure
2	• Cybersecurity
3	• Sustainable Infrastructure Improvement
4	• Open Data/Civic Engagement
5	• Business Intelligence

Council Goals/IT Elements	Information Technology Workplan/Objectives
3	Citywide Workstation Replacement
3 2	Windows Server 2016 Implementation
3 2	Windows 10 Enterprise Implementation
3 2	Network Servers Refresh
3 2	Firewall Upgrade
5	IT Strategic Plan
4	All-One-Media Archiving (Social Media, Website, Text Messages)
3	Phone System Hardware Refresh

2019/2020 Workplan (Timeline)

2019 1st & 2nd Qtr

- Firewall Upgrade
- Phone System Hardware Refresh

2019 3rd & 4th Qtr

- Windows 10 Enterprise Implementation
- Citywide Workstation Replacement
- All-One-Media Archiving (Social Media, Website, Text Messages)

2020 1st & 2nd Qtr

- Network Servers Refresh
- Windows Server 2016 Implementation

2020 3rd & 4th Qtr

- IT Strategic Plan

Proposed Budget (by Category):

Category	2017/2018	2019/2020	% Change
IT Services	\$218K	\$237K	+8.7%
Maintenance & Operations	\$175K	\$210K	+20%
Innovation	\$62K	\$86K	+38.7%
ER&R Funding	\$26k	\$30k	+15%
TOTAL REQUESTED	\$481K	\$563K	+17%

Proposed Budget (Drivers):

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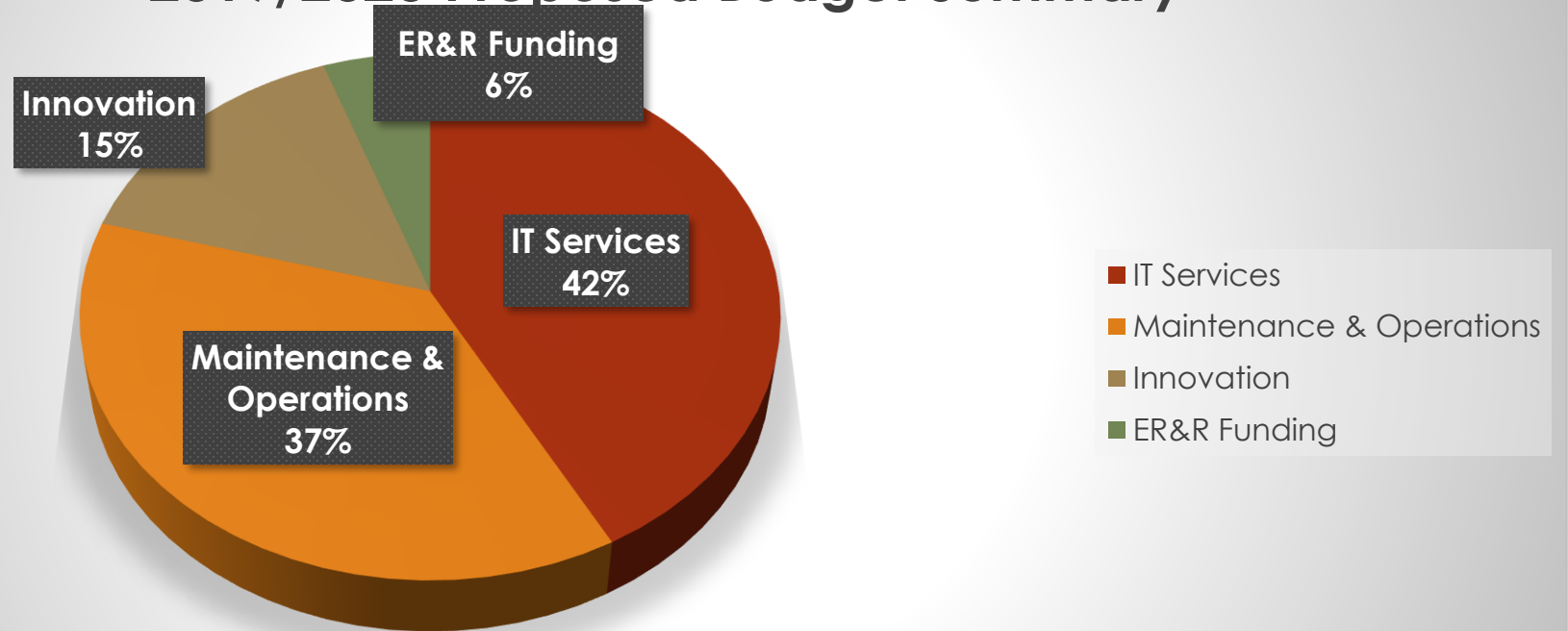
Category	2017/2018	2019/2020	% Change	
IT Services	\$218K	\$237K	+8.7%	<ul style="list-style-type: none"> driven by Snoqualmie salary costs in 2019/2020
Maintenance & Operations	\$175K	\$210K	+20%	<ul style="list-style-type: none"> Cisco hardware maintenance support Increase in O365 maintenance with ATP Added Workorder management system Added Suez WW Monitor
Innovation	\$62K	\$86K	+38.7%	<ul style="list-style-type: none"> Workstations/Monitors/ Hardware Refresh Windows Client/Server Operating System Refresh Backend Server Replacements (old servers will be used for backups) Enhance Existing Firewall for Redundant Paths
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Innovation	\$62K	\$86K	+38.7%	<ul style="list-style-type: none"> • Workstations/Monitors/ Hardware Refresh • Windows Client/Server Operating System Refresh • Backend Server Replacements (old servers will be used for backups) • Enhance Existing Firewall for Redundant Paths
ER&R Funding	\$26k	\$30k	+15%	<ul style="list-style-type: none"> • Added Reserves for Windows Software (Client/Server/CALs) • Added (2018 acquired switches) to Network ER&R Fund Transfer (7-Year Lifecycle) • Started in 2018 • Reduced 2019/2020 transfer by 50%
TOTAL REQUESTED	\$481K	\$563K	+17%	

2019/2020 Proposed Budget

2019/2020 Proposed Budget Summary



Challenges & Opportunities

- Establishing Lifecycle Policy and Funding
 - ~~Establish lifecycle fund for core infrastructure equipment~~
 - Learn to be proactive
- Keeping Core/Infrastructure Systems Running
 - ~~Phone System?~~
 - Datacenter locations
 - Fiber infrastructure concerns
 - Cable plant infrastructure
 - Funding
- Public Records
- Service Level



Questions or Concerns?

Budget Line Item Changes Summary

2019/2020 CoD IT Budget Changes Summary						
Line Item	Description	2018	2019/2020	% Change	Difference	Reasons for Inc/Dec
TOTALS		\$218,673.00	\$ 532,844.00	144%	\$ 297,122.00	Net Difference/Addition from Previous Fiscal Year
502-11-518-80-35-02	Computers & Software	\$ 5,000.00	\$ 63,164.00	1163%	\$ 58,164.00	Workstations/Monitors/Windows Client/Server replacements
502-11-518-80-35-03	Network Servers	\$ 4,000.00	\$ 23,000.00	475%	\$ 19,000.00	Server replacements (old servers will be used for backups)
502-11-518-80-42-00	Communication & Postage	\$ -	\$ -		\$ -	
502-11-518-88-41-01	Office 365	\$ 16,224.00	\$ 33,432.00	106%	\$ 17,208.00	
502-11-518-88-41-02	Springbrook Maint	\$ 16,000.00	\$ 32,000.00	100%	\$ 16,000.00	
502-11-518-88-41-03	Spillman Maint	\$ 3,800.00	\$ 7,600.00	100%	\$ 3,800.00	
502-11-518-88-41-04	I NET Internet Access	\$ 4,500.00	\$ 9,000.00	100%	\$ 4,500.00	
502-11-518-88-41-05	Shortel Annual Maint	\$ 4,500.00	\$ 9,000.00	100%	\$ 4,500.00	
502-11-518-88-41-06	Copiers	\$ 18,500.00	\$ 37,000.00	100%	\$ 18,500.00	
502-11-518-88-41-07	Firewall Support - Cisco	\$ 800.00	\$ 5,000.00	525%	\$ 4,200.00	Replace existing Firewall with redundancy built-in for outside connectivity
502-11-518-88-41-09	ESRI GIS Licensing	\$ 1,500.00	\$ 3,000.00	100%	\$ 1,500.00	
502-11-518-88-41-10	PMP Annual Support	\$ 1,100.00	\$ 2,200.00	100%	\$ 1,100.00	
502-11-518-88-41-11	Lexipol Annual Fee	\$ 5,000.00	\$ 10,000.00	100%	\$ 5,000.00	
502-11-518-88-41-12	Website Improvements	\$ 5,000.00	\$ 13,500.00	170%	\$ 8,500.00	
502-11-518-88-41-13	Professional Svcs Consultants	\$ 119,834.00	\$ 237,048.00	98%	\$ 117,214.00	
502-11-518-88-41-14	Postage Meter Maint	\$ 3,430.00	\$ 6,860.00	100%	\$ 3,430.00	
502-11-518-88-41-15	Wonderware Annual (W&S only)	\$ 3,100.00	\$ 6,200.00	100%	\$ 3,100.00	
502-11-518-88-41-16	AutoDesk Annual	\$ 365.00	\$ 810.00	122%	\$ 445.00	
502-11-518-88-41-17	Starwind Annual	\$ 970.00		-100%	\$ (970.00)	
502-11-518-88-41-18	BlueBeam Support	\$ 300.00	\$ 600.00	100%	\$ 300.00	
502-11-518-88-41-19	Adobe Desktop	\$ 400.00	\$ 400.00	0%	\$ -	
502-11-518-88-41-20	Leads Online	\$ 1,650.00		-100%	\$ (1,650.00)	
502-11-518-88-41-21	Crime Mapping	\$ 600.00	\$ 1,330.00	122%	\$ 730.00	
502-11-518-88-41-22	Shavlik Patch Management Maintenance	\$ 900.00	\$ 1,500.00	67%	\$ 600.00	
502-11-518-88-41-23	Sophos Antivirus Maintenance	\$ 1,200.00	\$ 2,400.00	100%	\$ 1,200.00	
502-11-594-18-64-00	Network Server Switch	\$ 20,000.00		-100%	\$ (20,000.00)	
502-11-518-88-41-24	Cisco Annual Maintenance	\$ 1,300.00	\$ 7,000.00	438%	\$ 5,700.00	New annual maintenance costs for replacement switches
502-11-518-88-41-25	Workorder Management System Maintenance		\$ 14,500.00		\$ 14,500.00	New PW Workorder Management System
502-11-518-88-41-26	Suez - Waste Water Monitor Maintenance		\$ 6,300.00		\$ 6,300.00	New PW Suez - Waste Water Monitor
Information Technology ER&R Fund Establishment						
RESERVES LINE ITEM #1 EFB	Desktop ER&R Fund Transfer (5-Year LifeCycle)	\$ 13,719.00	\$ 9,000.00	-34%	\$ (4,719.00)	New Desktop ER&R Fund Transfer
RESERVES LINE ITEM #2 EFB	Network ER&R Fund Transfer (7-Year LifeCycle)	\$ 5,000.00	\$ 6,500.00	30%	\$ 1,500.00	New switches are being acquired in 2018
RESERVES LINE ITEM #3 EFB	Windows Software (Client/Server/CALs) (5 Year Lifecycle)		\$ 7,820.00		\$ 7,820.00	New Reserves requested for Windows Server/Client/CALs Replacements
RESERVES LINE ITEM #4 EFB	Servers ER&R Fund Transfer (5-Year LifeCycle)	\$ 7,500.00	\$ 7,150.00	-5%	\$ (350.00)	New Servers ER&R Fund Transfer
		\$ 266,192.00	\$ 563,314.00	112%		